GOVERNMENT OF INDIA
PLANNING
LOK SABHA

UNSTARRED QUESTION NO:2668
ANSWERED ON:06.12.2000
INVESTMENT IN AGRO SECTOR
MANJAY LAL

Will the Minister of PLANNING be pleased to state:

(a) whether Planning Commission has shown their concern about less investment by Government in Agro Sector;

(b) if so, the facts thereof; and (c) the steps being taken by the Government in this regard?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE DEPARTMENT OF INVESTMNET, MINISTER OF STATE IN THE MINISTRIES OF PLANNING, STATISTICS & PROGRAMME IMPLEMENTATION AND MINSTER OF STATE IN THE DEPARTMENT OF ADMINISTRATIVE REFORMS & PUBLIC GRIEVANCES (SHRI ARUN SHOURIE)

(a) and (b) : Yes Sir. Planning Commission has expressed concern in the Mid-Term Appraisal of the IXth Five Year Plan about the decline in Gross Capital Formation in Agriculture (GCFA) as a percentage of total Domestic Gross Capital Formation (DGCF) which has come down sharply to 9.4% in 1996-97 from 19.1% in 1979-80, at 1980-81 prices. At 1993-94 prices, GCFA has come down from 6.3% in 1996-97 to 5.5% in 1998-99. The GCFA in public sector has registered a decline from 15.3% in 1980-81 to 4.9% in 1998-99.

(c) : The strategy adopted by the Government for increasing Capital Formation in Agricultural Sector is to increase investment in the development of infrastructure through launching schemes like Rural Infrastructure Development Fund, Accelerated Irrigation Benefit Programme, National Watershed Development Project and other similar programmes.